

Economic Justice: Fighting Racial Disparities during COVID-19 and Beyond

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Debbie Stabenow *DPCC Chairwoman*
Chuck Schumer *Senate Democratic Leader*



DPCC

DEMOCRATIC POLICY & COMMUNICATIONS COMMITTEE
CHAIRWOMAN DEBBIE STABENOW

Executive Summary

The United States is suffering its worst economic crisis since the Great Depression. Unemployment has reached its highest levels in modern history, more than 100,000 small businesses have permanently closed, and millions of families are going hungry and at risk of losing their homes.

Every American has been affected by this crisis, and people of color are suffering the greatest toll. Over 190,000 Americans have died, a disproportionate number of them being from communities of color. Black and Latinx individuals, already three times more likely to get COVID-19 due to a number of systemic factors, are also suffering higher rates of unemployment and hunger. Black-owned businesses are shutting down twice as fast as others. And families of color are in greater danger of losing their homes.

These unequal outcomes are not by fluke or coincidence. Generations of racist policies and practices, including housing and employment discrimination, have precluded many Black Americans, Latinx, Native Americans, and Asian Americans from building generational wealth, receiving an equitable education, accessing capital to start a business, or owning their own homes. From the start, these communities were most vulnerable to the economic fallout from COVID-19. Without action, they face a longer road to recovery as well.

Senate Democrats have a plan to help communities respond to the pandemic and begin to address decades of discrimination and underinvestment. The Economic Justice Act commits \$350 billion to immediate investments in jobs, child care, health care including mental health, as well as long-term investments that will build lasting wealth and health in these communities.

In conjunction with the Heroes Act, this historic legislation will provide urgent support to the communities in greatest need while ensuring lasting and meaningful change for a more equitable future.

Higher Unemployment and Less Financial Help

The coronavirus pandemic has led to devastating job losses that have left close to 30 million people claiming unemployment insurance.¹ While all of these unemployed workers are facing economic insecurity, communities of color have been hit especially hard. As of August 2020, compared to 7.3% for their white peers:²

- Black unemployment was 13%
- Latinx unemployment was 10.5%
- Asian unemployment was 10.7%³

Less Likely to Receive Unemployment Assistance

In response to the enormous scale of job loss during the pandemic, Congress greatly expanded unemployment insurance to previously ineligible workers and provided an additional \$600 per week in unemployment benefits. However, despite this expansion of eligibility and having disproportionately higher rates of unemployment, unemployed Black and Brown workers are the least likely to receive jobless benefits.

For example, according to national survey data from NORC at the University of Chicago, just 13% of jobless Black workers received such payments between April and early June, compared with 24% for white workers, 22% for Hispanic workers, and 18% for workers of other races.⁴

These disparities facing working people of color, particularly Black workers, are not new. In March 2020, prior to the massive increase in unemployment, both the Black and Latinx unemployment rates were more than one and a half times higher than their white peers.⁵ Since the U.S. Bureau of Labor Statistics started collecting data on the Black unemployment rate in January 1972, this rate has more often than not been twice as high as the white unemployment rate, and it has never fallen below one and a half times the white unemployment rate.⁶

This pandemic is exacerbating historical disparities that have left people of color with higher unemployment rates, lower wages and incomes, and less savings to fall back on.

Less Generous State Unemployment Benefits

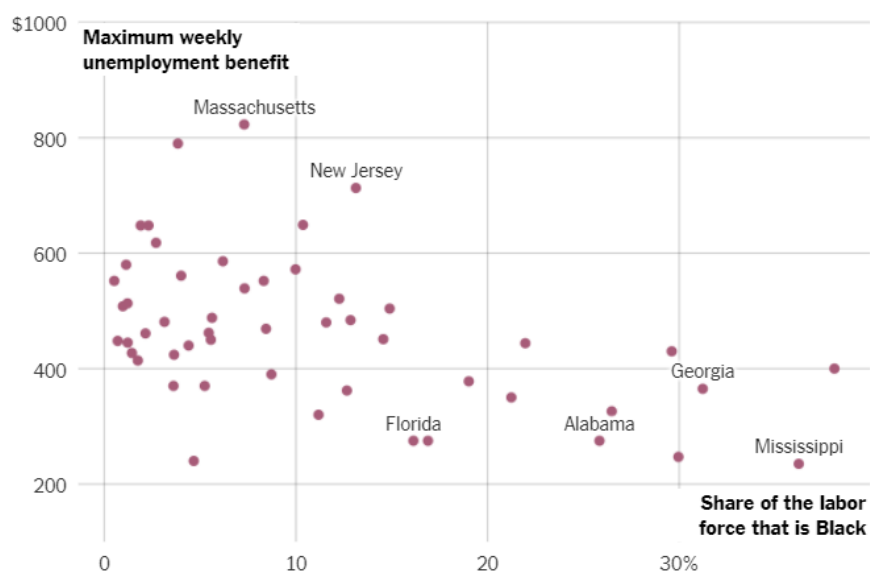
For example, despite Black workers having higher unemployment rates that take longer to decline when the economy improves compared to white workers⁷, the structural racism embedded in our nation's unemployment system leaves Black workers with less access to benefits when they need them most. When the system was created during the Great Depression, it explicitly excluded agricultural and domestic workers—the two sectors that employed the majority of Black workers. It also limited the federal role in the program and left states with control over how much a worker has to earn to qualify, how generous its benefits are, and the varying degree of difficulty to qualify for assistance.⁸

States with the highest concentration of Black workers offer the least generous unemployment benefits, leading to an average of \$40 per week less than benefits received by white workers.⁹

Today, states with the highest concentration of Black workers offer the least generous unemployment benefits. According to an analysis by the RAND Corporation, this concentration of Black workers in states with the lowest benefits meant that the average weekly unemployment benefit for Black workers was about \$40 less than for white workers. Over 26 weeks of unemployment benefits, that's almost equal to a \$1,200 pandemic stimulus check.¹⁰

States With More Black Workers Offer Less Generous Unemployment Benefits

Maximum state unemployment payments compared with Black share of state labor force



Source: [New York Times](#)

American families, including families of color, fuel our economy: consumer spending

accounts for 70% of the nation's gross domestic product. The \$600 enhanced unemployment insurance that Senate Democrats secured earlier this year provided vital and stable support for laid off workers. It also served as a critical lifeline for small businesses in hard-hit communities. Experts say 73 cents of every dollar in unemployment benefits went back into the economy,¹¹ keeping businesses open and workers employed. Now that enhanced unemployment insurance has expired, unemployed Americans are once again struggling to cover all their necessities and have less money to spend at businesses struggling during this pandemic, further hampering our economic recovery.

More Likely to Live in Poverty

In addition to having less assistance available to them during economic downturns, people of color are also more likely to live in poverty, leaving them with less savings to fall back on. Prior to the pandemic, compared to just 9% of white Americans living in poverty:

- 22% of Black Americans;
- 19% of Hispanics;
- 24% of American Indians and Alaskan Natives (AIANs); and
- 11% of Asian and Native Hawaiian and Pacific Islanders lived in poverty.¹²

One systemic factor contributing to this, among many others, is that these workers typically¹³ earn lower wages, especially women of color¹⁴. Among women who hold full-time, year-round jobs in the United States, Black women are typically paid 62 cents, Native American women 57 cents and Latinas just 54 cents for every dollar paid to white, non-Hispanic men.¹⁵ Part of these gaps can be attributed to discrimination and racial biases. For example, about two in ten Black adults (21%) and 16% of Hispanics say that in the past year they have been treated unfairly in hiring, pay, or promotion because of their race or ethnicity; just 4% of white adults say the same. Additionally, 12% of women say they have earned less than a man doing the same job because of their gender compared to just 3% of men who say their gender has been a factor in earning lower wages.¹⁶

Minority-Owned Small Businesses are Struggling

The COVID-19 crisis is a crushing burden on small businesses across the country, especially minority-owned businesses, which are often smaller and have a harder time accessing capital.

Between February and April 2020, 41% of Black businesses, 32% of Latinx businesses, and 26% of Asian American businesses were forced to shut down, compared to just 17% of their white-owned counterparts.¹⁷

Minority-owned businesses represent a critical economic force in the country. Before the COVID-19 crisis, America's 1.1 million minority-owned small businesses generated more than \$1 trillion in annual economic output and employed over 8.7 million workers – many of whom are essential.¹⁸ For generations, minority business owners have overcome obstacles to open and expand their businesses that white business owners don't generally face, including discriminatory lending practices and limited financial resources. These long-standing and unfair hurdles have only gotten worse during this crisis, causing higher rates of closures among minority-owned businesses over the past few months.¹⁹

While many white small business owners have turned to their banks or personal savings to stay afloat during this crisis, many minority business owners do not have those options. For example, Latinx and Black business owners are less likely to have an existing relationship with a bank. Even when they do, they still face more loan denial and higher interest rates than white customers.²⁰ Moreover, minority business owners have thinner financial cushions to fall back on in times of crisis: the median net worth of Black households, for example, is approximately one tenth that of white households.²¹

To make matters worse, minority-owned businesses are concentrated in the areas and industries hardest hit by this pandemic, such as retail, restaurants, and service industries.²²

The Paycheck Protection Program that Congress established in the CARES Act included specific mandates to help minority and underbanked businesses. Regrettably, the Administration did not follow these mandates, and as a result, the PPP loans were not distributed equally.²³ Senate Democrats are fighting for a more targeted approach that will help those small minority-owned businesses suffering the biggest losses.

Lack of Health Insurance Threatens Recovery

Quality health insurance was a luxury for many families even before the COVID-19 pandemic, with many families forced to postpone or avoid essential health care all together because of cost.²⁴ Now, skyrocketing unemployment is putting health insurance further out of reach for working-class Americans, especially among communities of color.

An estimated 5.4 million workers, not including their families, lost their health insurance between February and May 2020, far exceeding the 3.9 million adults who lost their health insurance during the Great Recession.²⁵

These communities have historically faced higher barriers to accessing comprehensive and affordable health insurance. In general, people of color are more likely to be uninsured than white individuals, in part because they are more likely to work lower-wage jobs without employer-sponsored health insurance. These coverage disparities have also generated higher barriers to medical care. Today, minorities face higher rates of chronic health conditions due to a variety of economic and social factors. For example, minorities are more likely to have heart disease, diabetes, obesity, and hypertension, all of which may increase the risk of complications or death from COVID-19.²⁶

Prior to the pandemic, nearly one in four Americans skipped medical care because of cost, and almost one in ten took on substantial debt to pay their medical bills.²⁷ Low-wage sectors employ a disproportionate number of women, people of color, immigrants, and adults without a four-year college degree – all of whom already face barriers to economic opportunity.²⁸ Many of these individuals are less able to save money, giving them little – if anything – to fall back on during a crisis, including if a family member loses a job or gets sick. In fact, only about one in four (23%) lower-income adults say they have rainy day funds set aside that would cover their expenses for three months in case of an emergency such as job loss, sickness, or an economic downturn, compared with 48% of middle-income and 75% of upper-income adults.²⁹

The economic and health effects of COVID-19 have hit communities of color especially hard. Unemployment rates were even higher than the average in July 2020 for young Black workers (22.5%) and Latinx workers (21%).³⁰ Moreover, these statistics do not account for loss of hours or furloughed workers. Roughly 43% of parents living with children report they or a family member have lost a job or work hours due to the pandemic, including 62% of Hispanic families, 50% of Black families and 36.5% of white families.³¹ Just over half of low-income families and one-third of higher-income families reported job losses.³² These disparate economic consequences suggest that communities of color will also face higher financial barriers to accessing medical care or will be placed into deeper medical debt after receiving the care they need, threatening their wellbeing in the midst of a pandemic and undermining their long term financial security.

Threats to the Affordable Care Act and Medicaid

The Affordable Care Act (ACA) and its optional expansion of Medicaid to low-income adults is a literal lifeline for millions of American families. Yet, from day one, the Trump Administration has strived to sabotage and repeal the landmark law. After failing to repeal the ACA through Congress, the Trump-led Justice Department is leading a lawsuit, now at the Supreme Court, to eliminate the entire ACA. If successful, the Trump lawsuit would strip health coverage away from 20 million Americans and gut protections for nearly 130 million people with pre-existing conditions.^{33 34} The COVID-19 pandemic has heightened the stakes.

The ACA significantly increased the number of Black, Indigenous, and other people of color with health insurance, with the largest gains occurring in states that chose to expand Medicaid. From 2010 to 2018, the uninsured rate for Latinx Americans decreased from 32.6% to 19%, and from 19.9% to 11.5% for Black Americans.³⁵ Notably, while the ACA narrowed coverage gaps between people of color and white Americans, the country's uninsured rate has begun increasing since the Trump Administration began its efforts to sabotage the ACA.³⁶

The ACA's Medicaid expansion has also been an essential source of coverage for Americans who lose their employer-sponsored insurance after becoming unemployed. In fact, the uninsured rate among the unemployed in non-expansion states was nearly double the rate in expansion states between 2014 and 2018.³⁷ This makes protecting and expanding Medicaid especially crucial as the country faces profound economic uncertainty. One estimate suggests that nearly 40% of people who lose employer-based coverage in non-expansion states will remain uninsured compared to less than a quarter of those in expansion states.³⁸ As a result, the uninsured rate among the unemployed in non-expansion states was nearly double the rate in expansion states.³⁹

If the Trump Administration and Republicans succeed and the Affordable Care Act is struck down:

- Protections for people with pre-existing conditions would be eliminated
- Millions kicked off Medicaid
- Seniors on Medicare would face increased prescription drug costs
- Women could be charged more than men for health care
- Young people would no longer have access to their parents' coverage up to age 26
- Annual and lifetime caps on benefits could return
- Private plans would no longer need to cover preventative services – including vaccines, screenings, and contraception without out-of-pocket costs
- There would no longer be guaranteed coverage of mental health care, substance use disorder services, and other essential health benefits for individual market plans
- Marketplaces for enrolling in individual and small group coverage would be eliminated

COVID-19 Highlights Maternal Health Inequities

For years, the United States has had the worst rate of maternal deaths in the developed world and one of the highest rates of infant mortality. According to the Centers for Disease Control and Prevention (CDC), each year in the U.S., about 700 women die from pregnancy-related complications and another 50,000 women face life-threatening complications related to pregnancy and childbirth.^{40 41} Additionally, the infant mortality rate in the United States is 32nd among the world's 35 wealthiest

nations.⁴²

These trends are worse for women of color. Black women are three to four times more likely than white women to die from pregnancy-related causes and twice as likely to suffer life-threatening pregnancy complications, regardless of their socioeconomic status, income level, or education level.^{43 44} The Black infant mortality rate is 2.3 times higher than the rate for white infants, and African American infants are 3.8 times more likely to die from low-birthweight complications than white infants.⁴⁵ According to the U.S. Department of Health and Human Services Office of Minority Health, in 2017, Latina mothers were 70% more likely to receive late or no prenatal care as compared to non-Hispanic white mothers.⁴⁶ Additionally, mothers of Central and South American descent were twice as likely to receive late or no prenatal care as compared to non-Hispanic white mothers.⁴⁷

Today, COVID-19 threatens to make the country's maternal health crisis even worse. In June 2020, the CDC reported that pregnancy can increase the risk of complications of COVID-19.⁴⁸ Pregnant women with COVID-19 were much more likely to be hospitalized or require a ventilator than non-pregnant women.

This pandemic may also exacerbate the profound disparities faced by women of color. As of September 3, 2020, the CDC reported that over 20,000 pregnant women have been diagnosed with COVID-19, and 44 have died as a result of the virus.⁴⁹ The majority of these women are Black or Latina – the same women who already suffer more pregnancy complications and deaths overall than their white counterparts. Many women of color are also facing disproportionate barriers to care in the wake of the pandemic, from closures of doctors' offices, a lack of access to telehealth technology, and increasing reports of discrimination from health care providers.⁵⁰

While the full extent of the pandemic's effect on maternal health outcomes is still unknown, it is critical that pregnant women maintain their access to affordable, comprehensive coverage. This includes Medicaid, which covers nearly half of all births in the United States.⁵¹ The Administration's lawsuit to repeal the ACA would eliminate the Medicaid expansion, putting many pregnant women of color at risk of losing coverage in the middle of a pandemic and threatening the health of women and their babies.

COVID-19 Jeopardizes Mental Health Access

Social Isolation, job losses, economic uncertainty, and fear of contracting COVID-19 continue to take a toll on the mental health of Americans. Prior to the pandemic, estimates suggested that one in five people suffered from a mental illness. During the COVID-19 crisis, more than one in three adults reported symptoms of anxiety or a depressive disorder; by comparison, one in ten adults did so during the first half of 2019.⁵² Over half of adults report that their mental health has been negatively

impacted due to worry and stress over the virus.⁵³ Higher rates of substance use and suicide ideation have also been reported.⁵⁴

These mental health burdens may fall harder on communities of color, who are facing higher COVID-19 case counts, are more likely to experience severe complications or death due to the virus, are more likely to work jobs that put them at increased risk of contracting the disease, and are more likely to experience job losses or lost income during the downturn.^{55 56}

While people of color have similar rates of behavioral health conditions, including mental illness and substance use disorder, as other populations, they have substantially more limited access to care than their white counterparts, are more likely to stop treatment prematurely, and experience less culturally responsive care.⁵⁷ For example, nearly 70% of African Americans and 67% of Latinx with any mental illness lacked access to behavioral health care in 2018, compared to about 60% of the overall U.S. population. Moreover, people of color also face structural racism that can exacerbate mental health conditions.

This makes bolstering the country's mental health care infrastructure essential to ensuring and improving access to care for communities in color. Yet, disparities in access may widen as a result of the economic impact of COVID-19 on behavioral health providers.⁵⁸ Many of these providers have overwhelmingly shifted their business models to accommodate telehealth for clients while simultaneously struggling to obtain personal protective equipment (PPE) for in-office visits.

Workers and Families Lack Child Care Options

As the coronavirus pandemic shut down schools and some child care providers for millions of children in March, it turned many working parents into teachers and caretakers overnight. These closures have left working parents, particularly those from families of color, to shoulder unexpected child-care responsibilities. At the same time, many child care providers lack the revenues necessary to stay afloat during periods of reduced enrollment and heightened expenses. According to one estimate by the Center for American Progress, nearly 4.5 million child care slots could disappear permanently as a result of COVID-19, cutting the country's already inadequate child care supply in half.⁵⁹

Click [HERE](#) for potential child care losses by state.

This crisis is an even greater burden for people of color, who are overrepresented in many of the occupations on the front lines of the pandemic. According to one study⁶⁰ by the Center for Economic Policy and Research, 41.2% of frontline workers are Black,

Hispanic, Asian-American/Pacific Islander, or some category other than white. That same study also found that these workers are facing increased family care obligations during the pandemic, with more than one-third of these frontline workers (35.9%) having a minor child at home.

Workers of color are also less likely to have the ability to telework. According to the U.S. Bureau of Labor Statistics, only 16.2% of Latinx workers and 19.7% of Black workers can telework, compared to 29.9% of white workers.⁶¹ With most schools closed during the pandemic, these essential workers struggle to find affordable child care options while continuing to go to work every day to keep basic services going in our communities.

Child care providers—a workforce that is disproportionately comprised of women of color⁶²—have also been on the front lines of the nation’s COVID-19 response, with approximately half of child care providers remaining open to provide child care to children of essential workers. However, providers report lack of access to vital resources and supports necessary to keep children and workers safe. One survey found that 62% of open child care programs had difficulty obtaining cleaning or sanitizing supplies or personal protective equipment (PPE) for staff.⁶³ Child care providers are also struggling to stay in business, with severe reductions in revenue due to lower enrollment.⁶⁴ With many child care programs on the brink of permanent closure, the nation is at risk of losing thousands of child care jobs for women of color, as well as limiting child care options for families.

Even before the pandemic, slightly more than half of the country lived in a child care desert⁶⁵, an area where children under age five outnumber the supply of licensed child care slots. This limited availability, along with the steep cost of child care, disproportionately hurts families of color. For example, Black Americans are nearly twice as likely as non-Hispanic white families to make job sacrifices – such as quitting a job, not taking a job, or greatly changing their job – because of child care challenges.⁶⁶ Additionally, Latinx and AIAN communities disproportionately live in child care deserts, with about 60% of their combined populations living in areas with a low supply of child care. More than 75% of the rural AIAN population lives in a child care desert.⁶⁷

Without significant federal resources, these disparities will likely only worsen in the aftermath of the coronavirus pandemic and further weaken our nation’s recovery.

Historical Inequities in Housing

Property ownership is one of the gateways to building wealth. However, people of color have historically been locked out of homeownership. Redlining, a mapping process created by the Home Owners Loan Corporation (HOLC) in the early 1930s to assess the risks associated with mortgage lending, created extensive barriers for

families of color to become homeowners. HOLC defined neighborhoods with Black or immigrant households as inherently “risky,” making it virtually impossible to get a loan in the neighborhood. The Federal Housing Administration (FHA) similarly used its underwriting manual to limit access to its low-cost, long-term mortgages based on borrowers’ race and based on neighborhoods’ racial composition. Between 1934 and 1962, families of color received only 2% of the distributed \$120 billion in FHA loans.⁶⁸ Today, approximately 74% of formerly-redlined neighborhoods are low to moderate income.⁶⁹ In 2020, Black and Latinx homeownership rates were 47% and 51%, respectively, while the white homeownership rate was 76%.⁷⁰

The lack of opportunity for homeownership for people of color has led to an increasing number of renters. From 2004 to 2018, people of color contributed 76% of the more than 7.5 million new renter households.⁷¹ The Latinx community accounted for nearly 23% and the Black community for nearly 15% of the increase. As a result, the proportion of renters who were people of color rose to approximately 48% in 2018, and renters of color are more likely than white renters to be cost burdened, meaning they pay more than 30% of their income for housing. A study by the U.S. Department of Housing and Urban Development also found that people of color were often shown fewer rental units, offered higher rents, and denied more leases than whites.⁷² Historic and continued discrimination in our housing system and the disproportionate cost burden for households of color contribute to the housing crisis we face today.

The COVID-19 Pandemic Exacerbated Housing Disparities

The already pressing housing affordability crisis in the United States was further amplified in March, when COVID-19 left millions unemployed and struggling to pay rent. COVID-19 has hit U.S. renters hard—between February and April, 8.9 million renter households (20%) dealt with at least one member of the household losing a job.⁷³ In July, more than 1 in 5 renters surveyed reported that they were behind on rent.⁷⁴ Additionally, the recession brought on by COVID-19 has resulted in the greatest share of homeowners being seriously behind on their mortgages since the Great Recession.⁷⁵ Many homeowners who are behind have been able to pause their monthly payments for up to a year through forbearance granted under the CARES Act, but this pause in payments may not be enough assistance for all homeowners.

The effects of COVID-19 on the housing crisis are disproportionately felt in communities of color. For example, a housing survey conducted by the Census Bureau revealed that Black and Latinx renters were more likely to face difficulties paying the rent since the start of the pandemic. Only 15% of white renters were behind on rent in July, compared to about 31% and 28% of Black and Latinx renters, respectively.⁷⁶ Additionally, more than 40% of Black and Latinx renters expressed slight or no confidence in their ability to pay rent in August, nearly twice the rate of white renters.⁷⁷ These racial disparities are similar among homeowners.⁷⁸ Black and Latinx homeowners were more likely to miss or defer their mortgage payments in July than

white homeowners, and expressed greater concern about their ability to pay their mortgage the following month.⁷⁹

In addition to mortgage forbearance, the CARES Act included a federal foreclosure moratorium, which has since been extended by all federal agencies through December 31, and a rental eviction ban, which expired at the end of July. In an August 8th Executive Order, President Trump directed the Department of Health and Human Services and the CDC to “consider whether any measures temporarily halting residential evictions” are necessary to stop the spread of COVID-19.⁸⁰ This resulted in a CDC order that temporarily halts residential evictions for nonpayment of rent until the end of this year for tenants who certify in writing to their landlord that they cannot make full rent payments and who continue to make the maximum payment they can make.⁸¹ However, the order does not halt rental payments or the accrual of late fees, or provide any rental assistance.

Both renters and homeowners could face difficulties without immediate financial relief. If homeowners currently in forbearance cannot return to making their regular monthly payments within the next year, they could face foreclosure. And without federal emergency rental assistance, millions of renters could lose their homes at the end of the year. About 20.8 million renter households were already struggling to pay their rent before the pandemic, especially households of color.⁸² In August 2020, researchers estimated that without a change in conditions, more than 29 million Americans in 13 million households could be at risk of eviction by the end of the year.⁸³ Economist Mark Zandi estimates that renters already owe \$25 billion in back rent and could owe as much as \$70 billion by the end of the year – a debt these renters cannot possibly pay off.⁸⁴

Lack of Internet Access Cuts off Opportunity

In today’s world, families without internet access face a high barrier to taking part in modern society. As COVID-19 has moved more essential tasks online, millions of Americans are still struggling to access affordable high-speed internet. While the digital divide – the gap between individuals with and without access to high-speed internet – has narrowed somewhat in the United States, stark disparities still persist.

According to a Pew Research Center analysis of 2015 census data⁸⁵, 15% of all households with school-age children in the U.S. lack a high-speed internet connection. This lack of broadband for households with school-aged children is especially pronounced for families of color, particularly those with low household incomes. Pew’s analysis found that 25% of Black and 23% of Hispanic households lack high-speed internet compared to just 10% of white households.

More generally, communities of color report lacking access to broadband and computers at rates far higher than white households.⁸⁶ According to a different

Pew report, 34% of Black and 39% of Hispanic households say they do not have broadband, compared to 21% of white households. These communities often rely on smartphones to close the internet access gap, but smartphones are a poor substitute for computers connected to high-speed internet, especially for high-bandwidth applications like those used for remote learning and to work from home. Tribal communities also face disparate broadband access. In 2018, 41% of people living on Tribal lands lacked access to high-speed internet. This number grows in rural Tribal areas where 68% reported not having access.⁸⁷

As the pandemic continues, the lack of internet access further exacerbates the long-time challenges that these communities have faced. For example, students of color face greater risk of being cut off from educational and economic opportunities and falling behind academically. Many educators are now running virtual classrooms, uploading class materials to online learning platforms, and increasingly relying on online content such as YouTube videos to assist students with remote learning. These digital inequities disproportionately prevent students of color from accessing online distance learning tools during school closures.⁸⁸ Barriers in accessing the internet can prevent people of color from accessing career services, harm minority-owned small businesses, and prevent minority families from applying for public assistance.

The Economic Justice Act

Senate Democrats have a plan to make \$350 billion in immediate and long-term investments in communities of color. This plan would make a historic federal commitment to these communities through ten major investments over the next five years. This is an important step as Senate Democrats work to address systemic racism and historic underinvestment.

The first objective is to immediately help communities of color respond to the pandemic through **a \$135 billion investment in jobs, child care, and health care, including mental health.**

The second objective is building long lasting wealth and health in these communities over the next five years by investing **\$215 billion for infrastructure, a homeowner down payment tax credit, Medicaid expansion, and more.**

Short-Term Investments

Child Care is Essential Program: \$50 billion to invest in and stabilize child care providers in communities, including communities of color. Ensure that working families have access to child care, and early childhood educators continue to get paid through the pandemic.

Expand and Improve Access to Community Health Care: \$40 billion to support community-based behavioral, mental, and primary health care providers and services to increase access to care and incentivize providers to serve in high need areas, including communities of color.

Federally Supported Jobs, Training and At-Risk Youth Initiatives: \$25 billion to connect workers to in-demand jobs, like new contact tracing and immunization hiring programs. Funds will also be used to support federal job training programs, including adult education and supported jobs programs, training for disconnected youth, registered apprenticeship, and aligned pre-apprenticeship training, and training and wrap-around services provided by community organizations. Finally, the Economic Justice Act creates a Pandemic TANF emergency assistance grant program that would provide cash assistance, in-kind support, and subsidized jobs to low-income individuals and families. It would also invest in the Child Abuse Prevention and Treatment Act and reform child support.

Capital and Support for Small Businesses: \$17 billion for capital and support and \$3 billion for the PROGRESS Act to make investments in community-focused lenders to facilitate more lending to small businesses in communities of color. Permanently authorize and expand programs offered by the MBDA as well as the SBA, including the 7(a) Community Advantage and the PRIME programs. Provide tax incentives for new small businesses.

Long-Term Investments

Down Payment on Building 21st Century Infrastructure: Invest \$115 billion in high-speed Internet, affordable housing, community development, K-12 Public School/Library/MSI construction, and environmental justice programs.

New Homeowner Down Payment Tax Credit: With historically low interest rates for home mortgages, invest \$40 billion to provide \$15,000 per family to expand access to homeownership.

Renters and Low Income Housing Tax Credits: Reduce rent and utilities to 30% of income for low-income individuals and families and build new low-income rental properties.

Expand Medicaid Coverage: \$15 billion to incentivize Medicaid expansion in non-

expansion states.

Address Maternal Mortality and Health: \$15 billion to expand comprehensive Medicaid coverage to all pregnant individuals for one-year postpartum; fund grant programs to implement maternal safety standards; improve access to midwife and doula services; and more.

10-20-30 Anti-Poverty Initiative and Hiring and Contracting Opportunities: Require a greater share of federal community and economic development funding go to communities with persistently high poverty rates, and create opportunities in federally funded infrastructure projects for local hiring in communities of color and contracts for disadvantaged businesses.

Click [HERE](#) for a full summary of the *Economic Justice Act*

Endnotes

- 1 <https://www.dol.gov/ui/data.pdf>
- 2 <https://www.bls.gov/news.release/pdf/empsit.pdf>
- 3 <https://www.bls.gov/news.release/pdf/empsit.pdf>
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